



## CITY OF LODI

## COUNCIL COMMUNICATION

AGENDA TITLE: Investment Account Disclosure

MEETING DATE: April 15, 1998

PREPARED BY: Deputy Treasurer

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RECOMMENDED ACTION: That the City Council by motion/action accept the quarterly report of the City of Lodi pooled money investment account as required by SB564.

BACKGROUND INFORMATION:

The investment report is currently included in the monthly executive report distributed to Council. SB564 required local agency treasurers to submit a report on investments at a public meeting. The City of

Lodi has an investment policy which is submitted to council for approval on an annual basis. Copies of the policy are available in the Finance Department. In addition to the quarterly report on investments in the City of Lodi pooled money investment account, a breakdown Treasury Inventory by type has been included in a chart format. Also included is the most current report of the Local Agency Summary of Investment Data and the State of California pooled money investment account market valuation.

The City of Lodi maintains membership in the California Municipal Treasurers Association and conforms to guide lines set forth by the CMTA investment report committee. The Finance Department will continue to include the investment report monthly as part of the executive report.

FUNDING: None.

*Vicky McAthie*

Vicky McAthie  
Finance Director/Treasurer

APPROVED: \_\_\_\_\_

*H. Dixon Flynn*  
H. Dixon Flynn -- City Manager

# **POOLED MONEY INVESTMENT ACCOUNT**

## **SUMMARY OF INVESTMENT DATA**

### **A COMPARISON OF FEBRUARY 1998 WITH FEBRUARY 1997**

(Dollars in Thousands)

	FEBRUARY 1998	FEBRUARY 1997	CHANGE
Average Daily Portfolio	\$31,140,429	\$30,379,056	+ \$761,373
Accrued Earnings	\$136,647	\$129,929	+ \$6,718
Effective Yield	5.720	5.575	+ .145
Average Life—Month End (in days)	207	260	- 53
Total Security Transactions			
Amount	\$28,614,910	\$21,643,428	+\$6,971,482
Number	633	502	+131
Total Time Deposit Transactions			
Amount	\$806,200	\$450,700	+ \$355,500
Number	47	38	+ 9
Average Workday Investment Activity	\$1,634,506	\$1,227,451	+\$407,055
Prescribed Demand Account Balances			
For Services	\$230,513	\$139,307	+ \$91,206
For Uncollected Funds	\$160,258	\$194,631	- \$34,373

## **LOCAL AGENCY INVESTMENT FUND\*** **SUMMARY OF ACTIVITY**

### **FEBRUARY 1998**

BEGINNING BALANCE	DEPOSITS	WITHDRAWALS	MONTH END BALANCE
\$11,354,332,644.45	\$987,609,000.00	\$936,935,090.45	\$11,405,006,554.00

\*Local Agency Investment Fund Invested Through Pooled Money Investment Account

**State of California**  
**Pooled Money Investment Account**  
**Market Valuation**  
**2/28/98**

Description	Carrying Cost Plus Accrued Interest Purch.	Estimated Market Value	Accrued Interest
United States Treasury:			
Bills	\$ 2,563,542,117.81	\$ 2,601,988,888.80	NA
Strips	\$ 73,184,450.00	\$ 93,984,750.00	NA
Notes	\$ 5,134,844,231.06	\$ 5,138,525,840.00	\$ 43,953,553.72
Federal Agency:			
Bonds	\$ 1,593,911,758.03	\$ 1,593,264,304.70	\$ 19,672,222.92
Floater	\$ 265,000,000.00	\$ 264,972,450.00	\$ 1,791,862.40
MBS	\$ 141,232,317.66	\$ 141,019,278.00	\$ 833,462.73
GNMA	\$ 2,497,152.33	\$ 2,895,066.60	\$ 24,606.31
SBA	\$ 229,127,242.68	\$ 230,457,445.21	\$ 2,291,902.97
FHLMC PC	\$ 24,309,320.98	\$ 26,018,922.89	\$ 390,311.89
Discount Notes	\$ 1,105,132,495.34	\$ 1,125,519,952.50	NA
Bankers Acceptances	\$ 329,100,821.85	\$ 329,227,786.29	NA
Corporate:			
Bonds	\$ 945,153,839.97	\$ 944,646,984.00	\$ 20,347,967.33
Floater	\$ 530,157,560.87	\$ 529,719,215.00	\$ 4,280,418.71
CDs	\$ 6,463,216,592.45	\$ 6,457,790,444.37	\$ 57,728,313.87
Bank Notes	\$ 1,075,000,000.00	\$ 1,074,636,389.75	\$ 12,119,722.24
Repurchase Agreements	\$ -	\$ -	NA
Time Deposits	\$ 1,222,295,000.00	\$ 1,222,295,000.00	NA
AB 55 & GF Loans	\$ 1,346,448,930.00	\$ 1,346,448,930.00	NA
Commercial Paper	\$ 7,221,958,046.25	\$ 7,230,610,784.07	NA
Reverse Repurchase	\$ (245,700,000.00)	\$ (245,700,000.00)	(\$1,729,296.25)
<b>TOTAL</b>	<b>\$ 30,020,411,877.28</b>	<b>\$ 30,108,322,432.18</b>	<b>\$ 161,705,048.85</b>

Repurchase Agreements, Time Deposits, AB 55 & General Fund loans, and Reverse Repurchase agreements are carried at portfolio book value (carrying cost).

Certificates of Deposit (CDs), Bank Notes (BNs), and Commercial Paper (CPs) less than 90 days are carried at portfolio book value (carrying cost). Interest accrued from the date of purchase on CDs and BNs under 90 days is not included.

04/03/1998

City of Lodi  
PORTFOLIO MASTER SUMMARY  
MARCH 31, 1998

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CITY  
ACCRUAL

INVESTMENTS	BOOK VALUE	PERCENT OF PORTFOLIO	AVERAGE TERM	AVERAGE DAYS TO MATURITY	---YIELD TO MATURITY---	
					360 EQUIVALENT	365 EQUIVALENT
Local Agency Investment Funds.....	\$ 15,240,000.00	77.97	1	1	5.642	5.720
Certificates of Deposit - Bank.....	\$ 1,300,000.00	6.65	366	254	5.049	5.119
Passbook/Checking Accounts.....	\$ 1,506,232.65	7.71	1	1	0.842	0.854
Federal Agency Issues - Coupon.....	\$ 1,500,000.00	7.67	1,096	1,004	6.060	6.145
TOTAL INVESTMENTS and AVERAGES.....	\$ 19,546,232.65	100.00%	109	95	5.265%	5.338%

TOTAL EARNINGS	MONTH ENDING		FISCAL	
	MARCH 31		YEAR TO DATE	
Current Year	\$	97,795.23	\$	868,149.27
AVERAGE DAILY BALANCE	\$	21,481,716.52	\$	21,722,780.16
EFFECTIVE RATE OF RETURN		5.36%		5.32%

Maxine Cadwallader  
Maxine Cadwallader  
Deputy Treasurer

Based on the approved budget and to the extent the budget is adhered to, liquidity is available for the next three to six months. Union Bank of California is the source of market valuation.

4-3-98  
DATE

04/03/1998

City of Lodi  
INVESTMENT PORTFOLIO DETAILS - INVESTMENTS  
MARCH 31, 1998

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CITY

ACCRUAL

INVESTMENT NUMBER	ISSUER	AVERAGE BALANCE	PURCHASE DATE	BOOK VALUE	FACE VALUE	MARKET VALUE	STATED RATE	--- YTM --- 360 365	MATURITY DATE	DAYS TO MAT
LOCAL AGENCY INVESTMENT FUNDS										
1000	Local Agency Invest. Fund			11,340,000.00	11,340,000.00	11,340,000.00	5.720	5.642 5.720		1
1001	Local Agency Inv Fund (LPIC			3,900,000.00	3,900,000.00	3,900,000.00	5.720	5.642 5.720		1
SUBTOTALS and AVERAGES		17,175,483.87		15,240,000.00		15,240,000.00		5.642 5.720		1
CERTIFICATES OF DEPOSIT - BANK										
2075	Central Sierra Bank		09/15/97	100,000.00	100,000.00	100,000.00	4.300	4.300 4.360	09/15/98	167
2072	Farmers and Merchants Bank		12/20/97	1,000,000.00	1,000,000.00	1,000,000.00	5.050	5.050 5.120	12/21/98	264
2062	Bank of Lodi		10/24/97	100,000.00	100,000.00	100,000.00	5.200	5.200 5.272	10/26/98	208
2071	Stockton Savings Bank		01/09/98	100,000.00	100,000.00	100,000.00	5.640	5.640 5.718	01/11/99	285
SUBTOTALS and AVERAGES		1,300,000.00		1,300,000.00		1,300,000.00		5.049 5.119		254
PASSBOOK/CHECKING ACCOUNTS										
4003	Bank of America			654,314.39	654,314.39	654,314.39	0.000	0.000 0.000		1
4000	Farmers & Merchants			851,918.26	851,918.26	851,918.26	1.510	1.489 1.510		1
SUBTOTALS and AVERAGES		1,506,232.65		1,506,232.65		1,506,232.65		0.842 0.854		1
FEDERAL AGENCY ISSUES - COUPON										
8010	Feredal Home Loan Bank (cal 11/24/97			500,000.00	500,000.00	500,000.00	6.120	6.036 6.120	11/24/00	968
8011	Feredal Home Loan Bank (cal 12/22/97			500,000.00	500,000.00	500,235.00	6.145	6.145 6.230	12/22/00	996
8012	Feredal Home Loan Bank (cal 02/12/98			500,000.00	500,000.00	497,810.00	6.000	6.000 6.083	02/12/01	1,048
SUBTOTALS and AVERAGES		1,500,000.00		1,500,000.00		1,498,045.00		6.060 6.145		1,004
TOTAL INVESTMENTS and AVG.										
		21,481,716.52		\$ 19,546,232.65		19,544,277.65		5.265% 5.338%		95

04/03/1998

City of Lodi  
 PORTFOLIO MASTER INVESTMENT ACTIVITY BY TYPE  
 MARCH 1, 1998 - MARCH 31, 1998

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TYPE	INVESTMENT #	ISSUER	STATED RATE	TRANSACTION DATE	PURCHASES OR DEPOSITS	SALES/MATURITIES OR WITHDRAWALS	BALANCE
-----							
LOCAL AGENCY INVESTMENT FUNDS (Monthly Summary)							
	1000	Local Agency Invest. Fund	5.720				
	1001	Local Agency Inv Fund (LPIC)	5.720		1,500,000.00	3,000,000.00	
SUBTOTALS and ENDING BALANCE					1,500,000.00	3,000,000.00	15,240,000.00
CERTIFICATES OF DEPOSIT - BANK							1,300,000.00
PASSBOOK/CHECKING ACCOUNTS (Monthly Summary)							
	4003	Bank of America	0.000				
	4000	Farmers & Merchants	1.510				
SUBTOTALS and ENDING BALANCE					0.00	0.00	1,506,232.65
FEDERAL AGENCY ISSUES - COUPON							1,500,000.00
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TOTALS					1,500,000.00	3,000,000.00	19,546,232.65
=====							

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ACCRUAL

MONTH END	YEAR	NUMBER OF SECURITIES	TOTAL INVESTED	YIELD TO MATURITY		MANAGED	NUMBER OF	NUMBER OF	AVERAGE TERM	AVERAGE DAYS TO MATURITY
				360 EQUIV	365 EQUIV	POOL RATE	SECURITIES PURCHASED	SECURITIES MATURED/SOLD		
March	97	11	27,599,410.46	5.360	5.434	5.583	2	0	126	80
April	97	11	27,539,171.62	5.455	5.531	5.583	0	0	126	76
May	97	11	23,907,036.16	5.321	5.395	5.583	0	0	145	81
June	97	11	23,086,452.68	5.463	5.539	5.634	0	0	150	79
July	97	11	23,451,528.53	5.322	5.396	5.630	0	0	148	72
August	97	10	22,984,395.13	5.270	5.343	5.630	0	1	149	67
September	97	10	23,757,904.15	5.164	5.235	5.690	1	1	107	31
October	97	10	21,669,355.71	5.182	5.254	5.707	1	1	118	31
November	97	10	19,024,926.06	5.342	5.416	5.705	1	1	93	59
December	97	11	19,004,586.78	5.166	5.238	5.715	2	1	122	102
January	98	10	17,905,056.75	5.228	5.300	5.744	1	2	89	82
February	98	11	21,046,232.65	5.309	5.382	5.742	1	0	102	92
March	98	11	19,546,232.65	5.265	5.338	5.720	0	0	109	95
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AVERAGES		11 \$	22,347,868.41	5.296%	5.369%	5.667%	1	1	122	73
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04/03/1998

City of Lodi  
DISTRIBUTION OF INVESTMENTS BY TYPE  
MARCH 1997 through MARCH 1998

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MONTH	TYPES OF INVESTMENTS													
END	YEAR	LA1	BCD	SCD	PA1	BAC	CPI	COM	RPA	FAC	FAD	TRC	TRD	GN1
March	97	79.8	4.7		4.7					7.3		3.6		
April	97	82.0	4.7		2.4					7.3		3.6		
May	97	76.1	5.4		5.9					8.4		4.2		
June	97	78.0	5.6		3.4					8.7		4.3		
July	97	74.9	5.5		6.8					8.5		4.3		
August	97	74.4	5.2		7.3					8.7		4.4		
September	97	75.3	5.5		10.8					4.2		4.2		
October	97	74.1	6.0		10.7					4.6		4.6		
November	97	78.8	6.8		6.4					7.9				
December	97	72.6	6.8		10.0					10.5				
January	98	78.4	7.3		8.7					5.6				
February	98	79.5	6.2		7.2					7.1				
March	98	78.0	6.7		7.7					7.7				
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AVERAGES		77.1%	5.9%		7.1%					7.4%		2.6%		
=====														

LA1 - Local Agency Investment Funds  
SCD - Certificates of Deposit - S & L  
BAC - Bankers Acceptances  
COM - Commercial Paper - Discount  
FAC - Federal Agency Issues - Coupon  
TRC - Treasury Securities - Coupon  
GN1 - Mortgage Backed Securities

BCD - Certificates of Deposit - Bank  
PA1 - Passbook/Checking Accounts  
CPI - Commercial Paper - Interest Bearing  
RPA - Repurchase Agreements  
FAD - Federal Agency Issues - Discount  
TRD - Treasury Securities - Discount



City of Lodi  
INTEREST EARNINGS SUMMARY  
MARCH 31, 1998

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ACCRUAL

	MONTH ENDING MARCH 31, 1998	FISCAL YEAR TO DATE
CD/Coupon/Discount Investments:		
Interest Collected	\$ 1,625.87	\$ 163,675.69
PLUS Accrued Interest at End of Period	36,648.59	36,648.59
LESS Accrued Interest at Beginning of Period	( 25,011.70)	( 53,582.63)
	-----	-----
Interest Earned during Period	\$ 13,262.76	146,741.65
	=====	=====
ADJUSTED by Premiums and Discounts	0.00	591.51
ADJUSTED by Capital Gains or Losses	0.00	0.00
	-----	-----
Earnings during Period	13,262.76	\$ 147,333.16
	=====	=====
Mortgage Backed Securities:		
Interest Collected	\$ 0.00	\$ 0.00
PLUS Accrued Interest at End of Period	0.00	0.00
LESS Accrued Interest at Beginning of Period	( 0.00)	( 0.00)
	-----	-----
Interest Earned during Period	\$ 0.00	0.00
	=====	=====
ADJUSTED by Premiums and Discounts	0.00	0.00
ADJUSTED by Capital Gains or Losses	0.00	0.00
	-----	-----
Earnings during Period	0.00	\$ 0.00
	=====	=====
Cash/Checking Accounts:		
Interest Collected	\$ 0.00	\$ 778,214.00
PLUS Accrued Interest at End of Period	234,814.48	234,814.48
LESS Accrued Interest at Beginning of Period	( 150,282.01)	( 292,212.37)
	-----	-----
Interest Earned during Period	\$ 84,532.47	\$ 720,816.11
	=====	=====
TOTAL Interest Earned during Period	\$ 97,795.23	\$ 867,557.76
TOTAL Ajustments from Premiums and Discounts	\$ 0.00	\$ 591.51
TOTAL Capital Gains or Losses	\$ 0.00	\$ 0.00
	-----	-----
TOTAL Earnings during Period	\$ 97,795.23	\$ 868,149.27
	=====	=====

## BREAKDOWN OF TREASURY INVENTORY BY TYPE

March 1998

<u>Type of Security</u>	<u>Amount</u>	<u>Percent of Portfolio</u>	<u>Maximum Maturity</u>
Local Agency Investment Fund	\$15,240,000.00	77.968990%	Indefinite
Certificates of Deposit - Bank	\$1,300,000.00	6.650898%	5 years
Passbook/Checking Accounts	\$1,506,232.50	7.705999%	Indefinite
Treasury Securities - Coupon	\$0.00	0.000000%	5 years
Federal Agency Issues - Coupon	\$1,500,000.00	7.674113%	5 years
	<u>\$19,546,232.50</u>	<u>100.00%</u>	

